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September 3, 2019

VIA ELECTRONIC CASE FILING

The Honorable Valerie E. Caproni
United States District Court
Southern District of New York
40 Foley Square, Courtroom 443
New York, NY 10007

Re: Berdeaux v. OneCoin Ltd., et al., Case No. 1:19-cv-04074-VEC (S.D.N.Y.)

Dear Judge Caproni:

This firm, Levi & Korsinsky, LLP, represents Lead Plaintiff Donald Berdeaux ("Berdeaux") and plaintiff Christine Grablis ("Grablis") ("Plaintiffs") in the subject action ("Action"). We write in accordance with this Court's August 23, 2019 Memo Endorsement (ECF No. 49) ordering Plaintiffs to file a letter on the first business day of each month (beginning on September 3, 2019) updating the Court on Plaintiffs' efforts to effectuate service of process upon all Defendants who have not already been served.

As of the date of this letter, six Defendants remain unserved: (1) OneCoin Ltd ("OneCoin"); (2) Ruja Ignatova ("Ignatova"); (3) Sebastian Greenwood ("Greenwood"); (4) Irina Andreeva Dilinska ("Dilinska"); (5) David Pike ("Pike"); and (6) Nicole J. Huesmann ("Huesmann").

With respect to Defendants OneCoin, Ignatova, Greenwood, and Dilinska¹ -- all of whom reside in Europe -- Plaintiffs intend to file a Motion for Leave to Effectuate Alternative Electronic Service upon these foreign Defendants before Plaintiffs' next status update letter is due on October 1, 2019. As to Defendants Pike and Huesmann, these individuals -- who are believed to reside in Florida -- were added to the case as new parties in Plaintiffs' First Amended Complaint [DE 40]. Plaintiffs' counsel have engaged a process server, and service will be attempted on both Pike and Huesmann this week.

Additionally, Plaintiffs note that on August 30, 2019, Judge Edgardo Ramos of the United States District Court for the Southern District of New York scheduled Defendant Mark Scott's criminal trial to commence on November 4, 2019.² In light of the stay pending completion of service that the Court entered on August 23, 2019, and the PSLRA-mandated automatic stay of discovery until all motions to dismiss have been adjudicated in the instant civil matter, it appears

¹ Defendant Dilinska was added to the case as a defendant in Plaintiffs' August 2, 2019 First Amended Complaint [Docket Entry No. ("DE") 40].

² See *USA v. Scott*, Case No. 1:17-cr-00630-ER (S.D.N.Y.) at August 30, 2019 Minute Entry following Status Conference held on August 30, 2019.

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vanishingly unlikely that any discovery will proceed in this case until well after Mr. Scott's criminal trial concludes. See 15 U.S.C. 78u-4(b)(3)(B) (requiring that "[i]n any private action arising under this chapter, all discovery and other proceedings shall be stayed during the pendency of any motion to dismiss.") Thus, any concerns that Defendant Scott claims to have regarding civil discovery in this matter prejudicing his criminal trial would seem to be premature at best.

Plaintiffs are available at the Court's convenience to respond to any further questions as may arise.

Respectfully Submitted,

LEVI & KORSINSKY, LLP

By:



William J. Fields

cc: all counsel of record (via ECF)